GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

STARRED QUESTION NO:114
ANSWERED ON:25.07.2016
Sick MSMEs
Chandumajra Shri Prem Singh

Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether a major portion of production in manufacturing sector is by the Micro, Small and Medium Enterprises(MSMEs);

(b) if so, the details thereof during the last three years and the current year;

(c) whether the number of sick MSMEs has increased in the country during the said period;

(d) if so, the details thereof and the reasons therefor; and

(e) the remedial measures taken to revive the sick MSMEs in the country?

Answer

MINISTER OF MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI KALRAJ MISHRA)

(a) to (e): A statement is laid down on the Table of the House.

STATEMENT REFFERED TO IN REPLY TO PARTS (a) to (e) IN RESPECT OF LOK SABHA STARRED QUESTION NO. *114 FOR ANSWER ON 25.07.2016

(a)&(b): No, Madam. As per the data compiled by Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MOSPI), based on approximation, using the results of Annual Survey of Industries and survey of unorganised sector, the share of manufacturing output of Micro, Small and Medium Enterprises (MSMEs), at current prices, for the years 2012-13, 2013-14 and 2014-15 are 33.22%, 33.27% and 33.40% respectively.

(c): Yes, Madam.

(d): As per the data compiled by Reserve Bank of India (RBI) from the scheduled commercial banks, the position regarding number of sick MSMEs in the country at the end of March 2013, March 2014, and March 2015 are 2.22, 4.68 and 4.74 lakhs respectively. The main reasons for sickness are inadequate and delayed credit, obsolete technology, marketing problems, infrastructural constraints, managerial deficiencies, etc.

(e): This Ministry, under section 9 of the MSME Development Act 2006, has notified a 'Framework for Revival and Rehabilitation of Micro, Small and Medium Enterprises' on 29.5.2015 for the purpose of facilitating the promotion and development of MSMEs. Under the framework for revival and rehabilitation of MSMEs, any enterprise can seek revival and rehabilitation benefit through a Committee constituted by banks with representatives from State Governments, experts, regional or zonal head of the bank and officer in charge of MSME credit department of the bank. RBI has also issued revised guidelines for revival and rehabilitation of MSMEs vide their letter dated 17.3.2016.